

AN ANALYSIS OF THE CITY OF EAST POINT ADMINISTRATION
OF THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

A DEGREE PAPER
SUBMITTED TO THE FACULTY OF ATLANTA UNIVERSITY
IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR
THE DEGREE OF MASTER OF PUBLIC ADMINISTRATION

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ATLANTA, GEORGIA

JULY 1981

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ABSTRACT

AIGHEWI, DANIEL EHI B.S., Alabama A&M University, 1979

An Analysis Of The City Of East Point Administration
Of The Community Development Block Grant Program

Advisor: Professor Irvin Brown

Thesis dated June 30, 1981

The purpose of this paper is to objectively analyze the administration of Community Development Block Grant Program in the City of East Point. Also, this paper is intended to assist the Community Development Department in evaluating whether the Community Development Program has been efficiently and effectively administered.

The Housing and Community Development Act of 1974 provided resources on a lump sum basis to cities to use in developing viable, safe and sanitary living environment and expand economic opportunities for the low and moderate income persons. In 1975, the City of East Point received its first Community Development Block Grant to spend as it saw fit on Community development activities. As a result, significant changes and developments have occurred in the City, but a number of problems still exist in some aspects of program administration.

Performance reports, close out reports, personal interviews and participant observation provided some of the data for the study. Also, books, journal and congressional reports provided data on the content and legal basis for the Community Development Program.

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INTRODUCTION

The purpose of this paper is to analyze the administration of the Community Development Block Grant Program in the City of East Point. East Point is the second (2nd) largest municipality in Fulton County, Georgia. With a 1980 population of 40,422, East Point is the tenth (10th) largest City in the State of Georgia.

Through the enactment of the Housing and Community Development Act of 1974, Congress authorized the consolidation of a number of previously separated, narrowly defined categorical grant programs into Community Development Block Grant (CDBG) Program. CDBG provides local governments with a formula-based entitlement and challenges local governments to provide the planning and management capacity to utilize funds for timely, effective and efficient delivery of services. The three (3) major CDBG objectives focus on (1) housing, (2) neighborhood revitalization, and (3) economic development.

In 1975, the City of East Point received its first Community Development Block Grant to spend on community development activities. As a result, significant developments and changes have occurred in East Point over the past five (5) year period. This paper will attempt to analyze these changes and their ramifications.

Problem and Setting

As a result of the 1974 Community Development Act which provides access to funds, both under the Community Development Program (Title I) and the Comprehensive Planning Assistance Program (Title IV) to assist in the development of new "Policy - planning - management of a city," the City of East Point established the Department of Community Development. This Department is designated as an administrative and implementing arm of the city, charged with the responsibility of administering the Community Development Block Grant Program by utilizing public and private funds to stabilize and/or expand the housing stock, neighborhood revitalization and economic development in the city.

The Department of Community Development has a seven (7) person staff; a Director, housing Division Supervisor, three (3) Housing Inspectors, a Financial Advisor and a Clerk Typist. The researcher's position as an intern in the Department was to assist the Director as an administrative apprentice in implementing the goals and objectives of the department. Daily responsibilities included securing funds from public and private sources, achieving public awareness, planning, implementing and evaluating the Comprehensive Development Program.

The tasks of this Department are complex and challenging. According to M. Leanne Lachman, Assistant Vice President,

Chicago Office of Real Estate Corporation:

... given these opportunities and city wide application of block grant, cities have greater needs than ever before for a comprehensive development strategy. They must have a planning tool that will offer answers to a number of questions. For example, how is the city to choose which physical or social activities and which geographical areas to focus upon in a given year; how can priorities be set in a fair rational and informed manner; what kinds of programs will reverse early deterioration and eliminate subsequent need for more extensive and costly action?¹

However, there are high hopes among the sponsors that this Community Development Plan will help to solve the number of urban crisis. This makes the administration of Community Development Block Grant program unique and complex.

Methodology

The method used in this paper was descriptive research. The major emphasis was on reliability and the minimization of bias. Participant observation and personal interviews provided some first hand data. Specifically, the open-ended questions approach was used in solicitating information. The respondents were asked to respond to a series of questions about their knowledge and/or their participation in the East Point Community Development Program. Comprehensive plan reports, close-out reports, performance reports and audit reports were used to verify the facts.

¹M. Leanne Lachman, "Housing and Urban Development," Journal of Housing, Vol. 32 (1975):58.

Data were also collected from Economic Base Study conducted by Real Estate Research Corporation, Atlanta (consultant), Neighborhood and Housing Conditions Analysis prepared by Public Research and Management Incorporated, Atlanta (consultant). Books, journals and congressional reports were used to set forth the objectives, content and legal basis of the Community Development Block Grant Program.

Organization of Study

The content of this paper is presented in context of four (4) sections. The section to follow (Section II) contains a historical and philosophical discussion of CDBG, followed by a description of the objectives and activities contained in the Community Development Block Grant Program.

Section III contains the analysis of East Point Community Development Block Grant program-administration. Focus was on the housing, neighborhood revitalization and economic development. Success and problems encountered during the program administration were identified.

Section IV contains a summary, followed by recommendations which present alternative administrative strategy that may help to enhance a better administration of East Point CDBG program.

II. COMMUNITY DEVELOPMENT BLOCK GRANT

PROGRAM DESCRIPTION

Historical Perspective

In the past quarter century, there have been extensive changes in relationships between the federal government, the states, and localities in the area of categorical grant-in-aid. The changing nature of this relationship is exemplified in the number, diversity, and total outlay of the federal grant programs available to state and local governments.

From the federal perspective, the intent of categorical grants is clear. Through the provisions of financial aid in the form of grants and loans, the federal government provides an incentive for states and localities to undertake physical, social, and economic programs to address problems identified and defined at the national level. Each grant program has a purpose within broad legislative objectives. For example, in creating the Urban Redevelopment Program (in its time the cornerstone of federal community development strategy), the Housing Act of 1949 stated as that program's objective:

The elimination of substandard and other inadequate housing through the clearance of slums and blighted areas and the realization, as soon as possible, of

the goal of a decent home and suitable living environment for every American family.²

For many local governments, the pursuit of grant funds was almost compulsive. The lure of the federal dollar prompted local governments to submit a number of grant applications, with each government promising to attain the intended legislative objective. Although the majority of application represented definite and legitimate needs for funding, there were few safeguards to ensure that a correlation existed between need and the federal funding level provided. Grantsmanship (the art of bringing federal monies into local government), appears to have a major factor in the receipt of federal funds.

However, with its separate funding sources, the application criteria, implementation time schedules, and program requirement, the categorical grant system made it difficult for local governments to plan and manage a unified local program area such as community development.

In response to pressure from local officials to provide predictability and flexibility to the flow of funds and discretion on how to use and manage them, the federal government enacted general revenue sharing (GRS) and the subsequent block grant approach. The basic characteristics of the block grant are as follows:

² Housing Act of 1949, Public Law 171, United States Statutes at Large, 81st Congress, 1st Session 1949, Vol. 63, Part 1, p. 413.

The eligible activities are fairly broad and stated in general terms within an overall program area.

The amount to which a local government is entitled is determined by a formula.

Local officials have the opportunity to determine their own priorities and allocate resources to meet identified local needs within broad national objectives.

An annual application indicated the activities to be financed and how resources are to be distributed.

In lieu of lengthy application requirements and extensive application reviews, emphasis is placed on post-approval monitoring and audit.³

Community Development Block Grant

The Housing and Community Development Act of 1974 and the Housing and Community Development Act of 1977 included among their various provisions, a Community Development Block Grant (CDBG) Program. Consistent with the block grant approach, Community Development Block Grant consolidated the funds previously set aside for seven separate "categorical" programs - urban renewal, model cities, water and sewer grants, open space land, neighborhood facilities, rehabilitation loans and public facility loans into a single funding instrument that provide formula-derived entitlements to the nations local governments.

³Municipal Finance Officers Association, "Community Development Block Grant Budgetary and Financial Management." (Peat, Morwick, Mitchell and Co., 1977), p. 6.

Title I is based philosophically on the "new federalism" which seeks to decentralize control, maximize local participation in planning and programming of federal resources and ensure the design of comprehensive strategies to meet community needs and guide community development.⁴

The primary objective of this title as stipulated in the act, is the:

...development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.⁵

Consistent with the primary objective, the federal assistance provided by this program is for the support of community development activities directed toward the following specific objectives:

1. The elimination of slums and blight and the prevention of blighting influences and the deterioration of property and neighborhood and community facilities of importance to the welfare of the community, principally persons of low and moderate income.

⁴William Fred and Harry Specht. "The Housing and Community Development of 1974: Implications for Policy and Planning." Social Service Review, Vol. 50, (June 1976): 278.

⁵Housing and Community Development Act of 1974, Public Law 93-383, United States Statutes at Large, 93rd Congress, 2nd Session 1974, Vol. 99, p. 635.

2. The elimination of conditions which are detrimental to the health, safety, and public welfare, through code enforcement, demolition, interim rehabilitation assistance and related activities.
3. The conservation and expansion of the nation's housing stock in order to provide a decent home and a suitable living environment for all persons, but principally those of low and moderate income.
4. The expansion and improvement of the quality and quantity of the community services, principally for persons of low and moderate income, which are essential for sound community development of viable urban communities.
5. A more rational utilization of land and other natural resources and a better arrangement of residential, commercial industrial, recreational and other needed activity centers.
6. The reduction of the isolation of income group within communities and geographical areas and the promotion of an increase in the diversity and vitality of neighborhoods through the spatial deconcentration of housing opportunity for persons of lower income, and the revitalization of deteriorating or deteriorated neighborhoods to attract persons of higher income.
7. The restoration and preservation of properties of special value for historic, architectural, or esthetic reasons.
8. The alleviation of physical and economic distress through the stimulation of private investment and community revitalization in areas with population outmigration of stagnating or declining tax base.⁶

Title I of the CDBG authorizes 100 percent federal grants, and no local share is required to accomplish these objectives.

⁶Housing and Community Development Act of 1974, p. 635.

Accordingly, all units of general purpose local government would be eligible for direct entitlements or seek block grant funding directly from HUD on a discretionary basis.⁷ The total national appropriations would be divided as follows: 80 percent for activities to be undertaken in metropolitan (SMSA) areas; 20 percent for activities to be undertaken in non-SMSA areas.

The national funds earmarked for use within metropolitan areas are distributed in three ways - formula, hold harmless,⁸ or some other combination of two of these sources. The first distribution of funds from metropolitan "pot" is for formula purposes. Each metropolitan city and qualifying urban county will have a formula share computed for it annually by HUD. Population, poverty (double weighted and regionalized) and housing overcrowding are the criteria used. Under the "hold harmless," each metropolitan city or qualifying urban county is eligible for a minimum funding allocation or hold harmless account. The sum of the average of all grants and loans received during fiscal years 1968-1978 under the urban renewal are the criteria

⁷Edward Silverman, "Community Development/Title I of the Housing and Community Development Act of 1974," Journal of Housing (August 1974): 351.

⁸Hold harmless: Entitlement funds awarded to units of local government to spend as they see fit, provided certain requirements are met.

used.⁹ During February 1978-1980, any community with hold harmless amount larger than its formula share would have the difference between the amounts phased down to zero in three equal steps. In the case of smaller communities, of course, this procedure means that they would have no statutory entitlement by February 1981.¹⁰ Distribution of funds by program categories and years are shown in Table 1.

The legislation requires annual application and a three year summary plan. Required application (1) identified community development needs and objectives; (2) contains a program to meet these needs and objectives; (3) promised a performance report, beginning in fiscal year 1976, evaluating the community development program. HUD would conduct annual post audits.

Application requirements are not as stringent as those that were for categorical programs. This becomes apparent when considering that each application averages one thousand pages less and twenty-nine months shorter processing time under the block grant program.¹¹ However, there are a number of program

⁹David Garrison, "Community Development Block Grants: A Whole New Ball Game for City Hall," Nation's Cities, Vol. 12. (November 1974): 54.

¹⁰Ibid., p. 56.

¹¹CDBG Report for Fiscal Year Ended," U.S. Department of Housing and Urban Development, 30 June 1975, p. 3.

Table 1
Distribution of CDBG Funds* by Program Category and Fiscal Year
 (Dollars in Thousands)

Program Category	FY 1975	FY 1976	FY 1977	FY 1978	FY 1979	Total
Entitlement	\$2,096,405	\$2,352,888	\$2,659,020	\$2,777,593	\$2,744,268	\$12,630,174
Metro	1,835,763	2,087,534	2,405,405	2,619,318	2,667,401	11,615,421
Non-Metro	260,642	265,354	253,615	158,275	76,867	1,014,753
Small Cities	259,058	345,274	438,005	627,907	804,182	2,474,426
Metro	59,738	91,596	113,823	189,912	241,561	696,630
Non-Metro	199,320	253,678	324,182	437,995	562,621	1,777,796
Secretary's Fund	26,903	52,978	50,960	94,499	101,994	327,334
Financial Settlement	49,987	49,980	100,000	100,000	100,000	399,967
Total	2,432,353	2,801,120	3,247,988	3,600,000	3,750,260	15,831,721
Lapsed	646	880	12	0	0	1,538
	<u>\$2,432,999</u>	<u>\$2,802,000</u>	<u>\$3,248,000</u>	<u>\$3,600,000</u>	<u>\$3,750,260</u>	<u>\$15,833,439</u>

SOURCE: U.S. Department of Housing and Urban Development, Office of Finance and Accounting.

requirements and restrictions, many of which the locality can certify it is meeting. These requirements include: (1) conformity to civil rights statutes; (2) citizen participation, including public hearings in formation of the application; (3) specific reference to A-95 review; (4) local certification of responsibility by locality for environmental protection requirement of National Environmental Act of 1969.

Consequently, most localities were inadequately prepared to begin immediate implementation of CDBG program at the time of its inception. Preparing for and completing the first year's application absorbed the full capacity of the cities.

In sum, not only does the new 1974 act extend community development assistance to a wide range of localities, never before participating in the program, but it also sets program requirements that will require a new capacity to coordinate multiple activities and to develop new instruments for program planning and execution. The planners must, therefore, be instrumental in program planning and execution and also must use their professional expertise to nudge the nation closer to its commitment of decent homes and suitable living environment for every American family.

III. COMMUNITY DEVELOPMENT PROGRAM FOR THE CITY OF EAST POINT

Under Title I of the Community Development Block Grant of 1974, the City of East Point was given a five year commitment (hold harmless) in the sum of \$1,645,000. The city received \$415,000 respectively in program years 1975 through 1977, \$270,000 in program year 1978, and \$130,000 in program year 1979. This funding pattern is in conformity with the "phase down" clause inherent in Title I's hold harmless grant which states that:

...full hold harmless would last three years, reduced to two-thirds of excess over formula in the fourth year, one-third in the fifth year, and eliminated in the sixth year.¹²

Under contract, Public Research and Management, Incorporated, Atlanta (consultant) prepared the first Community Development Block Grant application for the City of East Point. Early in 1976, Public Research and Management, Incorporated also conducted a community wide 10 percent survey of the residents of

¹²Edward Silverman, p. 351.

East Point. This was an effort to initiate citizens and elected officials participation and to establish a data base for the conduct of planning. Over 1200 questionnaires were mailed out and approximately 240 returns were attained. Based on this survey, real and perceived issues concerning city services and facilities were tentatively identified (see Table 2 for summary of survey).

The results of the community-wide citizen survey were tabulated and summaries prepared. Tentative issue identifications and goals and objectives were developed for presentation to the public. At a series of six (6) neighborhood meetings held on February 26, March 2, 4, 8, 9, and 11, 1976, these tentative issues and alternative goals and objectives were refined and priorities established. A public hearing was also held during that period to acquire further input (February 26, 1976).

Following the acceptance of issues and selection of preferred goals and objectives, program assessments related to the goals and objectives were prepared. These assessments explained narratively and illustrated graphically what each goal and objective could logically require. This effort enabled elected officials and citizens to more readily appreciate the consequences of alternative courses of action. Another public hearing was held (April 12, 1976), and four (4) neighborhood meetings (April 15, 22, 27, and May 4, 1976) immediately thereafter. The

TABLE 2

CITY WIDE PUBLIC SERVICE NEEDS SURVEY-
EAST POINT, GEORGIA

Please rate the following public facilities in our City.

	Good	Fair	Poor	No Opinion
a. Streets	34.0%	51.5%	11.5%	3.0%
b. Curbs	29.5%	44.5%	19.0%	7.0%
c. Street Lighting	49.5%	39.0%	9.5%	2.0%
d. Parks	29.5%	39.0%	13.0%	18.5%
e. Sidewalks	18.5%	35.5%	35.5%	10.5%
f. Storm Sewer	33.0%	37.0%	14.0%	16.0%
g. Sanitary Sewer	46.0%	30.5%	6.0%	17.5%
h. Electrical Service	71.0%	18.0%	7.5%	3.5%
i. Water	76.0%	13.0%	6.0%	5.0%
j. City Hall and Annex	48.0%	21.0%	5.5%	25.5%
k. City Auditorium	24.0%	22.0%	23.5%	30.5%

Please rate the following community services in our City.

	Good	Fair	Poor	No Opinion
a. Police Protection	81.0%	11.5%	3.0%	4.5%
b. Fire Protection	88.0%	7.0%	0.5%	4.5%
c. Waste Collection	55.0%	29.0%	12.0%	4.0%
d. Recreation Program	40.5%	22.5%	9.5%	27.5%
e. Street Cleaning	30.5%	42.5%	20.0%	7.0%
f. Housing Code Enforcement	21.0%	22.5%	12.0%	44.5%

Where, in your opinion, should the City concentrate its improvement efforts:

	High Priority	Low Priority	No Opinion
a. Single family areas	59.5%	18.0%	22.6%
b. Apartment areas	25.0%	45.0%	30.0%
c. Industrial section	30.5%	31.0%	38.5%
d. Downtown	58.0%	19.0%	23.0%
e. Other	11.5%	7.5%	81.0%

* Source: "Comprehensive Plan", East Point, Georgia, Public Research and Management, Inc., October 1976

program assessments were presented to the citizens and elected officials to further the refinement and eventual selection of the goals and objectives.

At the completion of this planning effort, a third series of neighborhood meetings were held to share the results of this effort with the community. These meetings sought citizens' final review comments and modification prior to submittal to the mayor and council for their consideration relative to adopting the plans and programs developed as a result of the total process. Based on the final plan adopted/approved by the mayor and council, a public improvement plan was developed. This plan indicated a schedule of activities on a multi year basis for implementation.

Like many other local governments, East Point encountered various problems in initiating and implementing the first year community development program. The most significant problems were:

(1) Until 1974, the City of East Point had a very strong and conservative mayor/council form of government. As a result, the power of the East Point city manager to hire and fire became a local problem growing out of the newly created city government organization. Until the problem was solved, department heads could not be hired and the Community Development Department

staffing could not proceed.

(2) There was no minimum housing code in the City of East Point. As a result, blighted and potential blighted areas could not immediately be identified.

There problems were resolved, and program implementation started in January 1977.

The Community Development Department was established to administer the community development program. The Department was charged with the following responsibilities:

- (1) program design pursuant to the comprehensive program;
- (2) housing rehabilitation;
- (3) neighborhood revitalization;
- (4) economic development (public and private);
- (5) citizen participation;
- (6) municipal planning, from a program design and coordination aspect;
- (7) inspection of the city's housing stock; and
- (8) financial management of intergovernmental monetary assistance to low and moderate residents in East Point.

Over the past five (5) year period, the City of East Point has experienced substantial changes and developments as a result of community development activities. In an attempt to determine how well the Community Development Department has

accomplished its goals and objectives over the past five years, it is imperative to analyze the impact of community development activities on the housing stock, neighborhood revitalization and economic development in the City of East Point.

Housing

In 1974, the consulting firm of Public Research and Management prepared the East Point Neighborhood and Housing Conditions Analysis which identified areas of concern in neighborhoods where there were existing and potential blighting conditions. This study provided the department with a blueprint of problem areas where poor housing conditions existed in single-family, duplexes and multi-family units.

The City of East Point had approximately 15,900 housing units of which sixty-four (64) percent were pre-1960 housing.¹³ Apparently, due to age, the city's housing stock had deteriorated. The Neighborhood and Housing Conditions Analysis, also indicated that there were several neighborhoods in East Point where housing was too old or of inappropriate design to expect residential reinvestment. Also, there were neighborhoods where many of the units were deteriorating but structurally sound and could continue to provide good housing if the necessary repairs

¹³East Point Housing Conditions Analysis, Public Research and Management, Inc. (Atlanta, Georgia: 1975).

were made.¹⁴

Consistent with the national objectives of providing decent housing and a suitable living environment, principally for persons of low and moderate income,¹⁵ the mayor and council in East Point established the following as the city's housing goals and objectives:

- (1) Maintenance of existing standard housing and neighborhoods through code enforcement.
- (2) Reversal of the decline in structural and neighborhood quality in areas where deterioration has taken place.
- (3) Removal of substandard units which because of inadequate construction or transitional land use, are inappropriate for reinvestment.
- (4) Rehabilitation of marginal housing through a program of stimulating private investment, utilizing code enforcement and cash grants for code required improvements.
- (5) Assistance to the handicapped and elderly in maintaining their standard housing whenever possible, or provision of replacement housing when necessary.
- (6) Provision of replacement housing to meet the relocation needs of persons displaced by government activities.¹⁶

¹⁴Ibid., p. 9.

¹⁵Housing and Community Development Act of 1974, p. 635.

¹⁶City of East Point First Year (1975-1976), Community Development Application (East Point, Georgia: 1974).

In addition, the city developed a minimum housing code and established a Housing Division within the Department of Community Development. The purpose of the code was to serve as the mechanism for establishing and maintaining standard housing conditions in East Point via code enforcement. The internal objective of the Housing Division was to preserve and expand the existing housing stock, and to provide alternative housing opportunities to citizens faced with relocation.

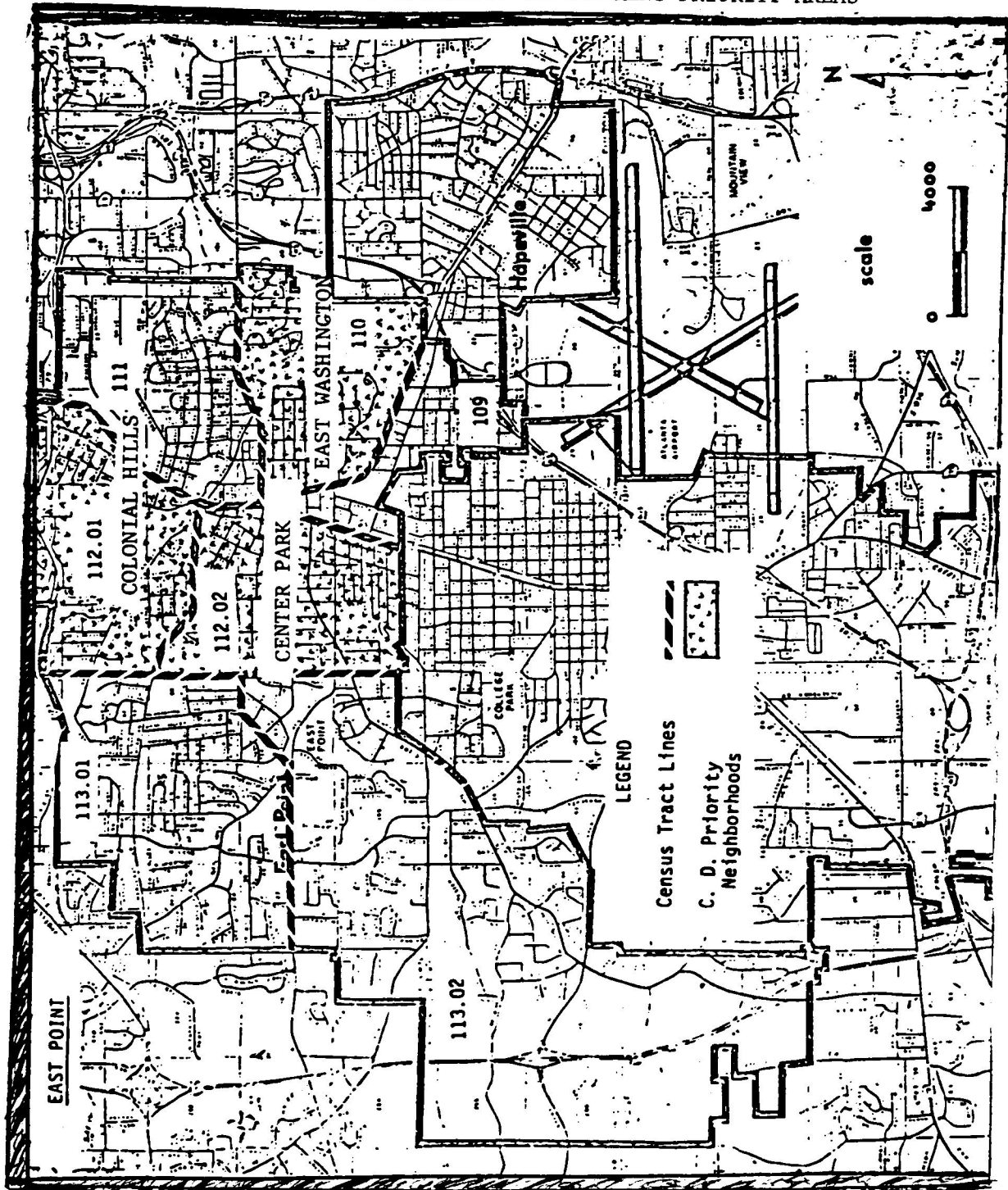
The first two priority areas selected by the Housing Division were Colonial Hills and East Washington/Urban Renewal Area. A third priority area, Center Park, was identified in program year 1977, with discretionary grant application being filed to HUD (see Map 1).

Colonial Hills is the oldest community within the city, which is demographically dominated by elderly and low and moderate income people. Colonial Hills is designated as the city's number one (1) priority area in the local Community Development Block Grant Program.

East Washington is the city's number two (2) priority area. It is also the oldest predominately black neighborhood in the city. The majority of the residents are within the low and moderate income range.

Center Park is the city's number three (3) priority

EAST POINT COMMUNITY DEVELOPMENT PRIORITY AREAS



Source: Comprehensive Plan, East Point, Georgia, Public Research and Management, Inc., October 1976

area. It is predominately middle age neighborhood and falls within the low and moderate income range.

The criteria used to identify these areas to receive Community Development Block Grant allocation in East Point were similar to the formula used by HUD: "extent of poverty, housing conditions and overcrowding of housing."¹⁷ These three (3) neighborhoods (Colonial Hills, East Washington and Center Park) are three of the four oldest neighborhoods in East Point.

Approximately twenty-five (25) percent of the housing units in these priority areas were substandard and in need of physical repairs. In addition, there were approximately eighty (80) dilapidated units that were beyond rehabilitation and recommended for demolition.¹⁸

To address the adverse housing conditions in these neighborhoods, the Community Development Department has worked aggressively with both public and private entities to secure adequate funds for the conduct of a comprehensive housing program. Apart from the \$1,645,000 entitlement grants, the Community Development Department grantsmanship activities have harnessed an additional sum of \$3,598,626 for the conduct of housing programs (\$44,000 single purpose Discretionary Grant from HUD for the

¹⁷David Garrison, p. 54.

¹⁸Ibid.

Center Park housing program, \$181,425 as a close out Urban Renewal Surplus, \$93,200 single purpose discretionary grant from HUD to conduct forty (40) lots for single family housing units on the Bayard site property (HUD owned property), and \$3,200,000 comprehensive Discretionary Grant from HUD to address the adverse housing conditions in East Point).

To maximize the use of all available community development funds, the Housing Division activities were broken down into the following components: (1) Housing Rehabilitation Grants; (2) Housing Rehabilitation Loans; (3) Replacement Housing Grants; (4) Demolition Grants; and (5) Relocation Grants.

The Housing Rehabilitation Grants provide up to \$7,500 to each qualified homeowner whose house must be brought up to code requirements. To qualify for the grant, certain income requirements must be met (see Table 3 for structure of the grants).

The Rehabilitation Loan Program receives funds from the Community Development Block Grant and Section 312.¹⁹ Additional funds from local funding are utilized to subsidize the interest rate of loans made to citizens living within the targeted areas for housing rehabilitation.

The Relocation Grants were designed to provide assistance to homeowners in eliminating substandard dilapidated housing

¹⁹Section 312 Rehabilitation Loan Program provides

TABLE 3
STRUCTURE OF HOUSING REHABILITATION GRANT

ADJUSTED FAMILY INCOME	MAXIMUM GRANT	AMOUNT FURNISHED BY OWNER
\$ 9000 - 9999	\$ 1000	\$ 7000
8000 - 8999	2000	6000
7000 - 7999	4500	3500
6000 - 6999	5500	2500
5500 - 5999	6000	2000
5000 - 5499	6250	1750
4500 - 4999	6500	1500
4000 - 4499	6750	1250
3500 - 3999	7000	1000
3000 - 3499	7250	750
2500 - 2999	7500	500
2000 - 2499	7750	250
0 - 1999	8000	0

Source: City of East Point Community Development Housing Division,
Housing Rehabilitation Grant Program Description 1977, p.10

units and to solve land use conflicts.

The Demolition Grants were designed to assist low and moderate income property owners in tearing down vacant, dilapidated housing units which were located in priority areas and presented unsafe and unhealthy situation to the adjacent residents.

Implementation of the comprehensive housing plan began with each Neighborhood Strategy Area (NSA), (Colonial Hills, East Washington, Center Park) being assigned a housing inspector to conduct an ongoing house-to-house inspection. The purpose of the inspection was to determine the physical conditions of the exterior and interior of the houses in these priority areas. Based on inspections and the municipal code enforcement ordinance, housing violations were determined and owners were given specific time periods to make necessary corrections. Where owners refused to act, inspectors turned the cases over for legal disposition; but, when property owners met the low and moderate income criteria, they were advised on financial assistance programs available through the Housing Division. Applicants were referred by the Housing Supervisor either to the Housing Board of Appeals on grants or to the 312 loan program administered by the financial advisor.

federal assistance to property owners in the form of property rehabilitation loans at 3% interest for up to 20 years maximum term.

To date, the Community Development Department (Housing Division) has completed 3,440 housing inspections. On the average, 4,489 housing violations have been cited; and approximately 1,953 have complied with the minimum housing code.²⁰ A number of home owners have utilized their own funds to rehabilitate their houses and the Community Development Department has approved twenty-five (25) 312 loans in the sum of \$491,350 and 180 Rehabilitation Grants in the sum of \$1,011,631.98. However, the twenty-five (25) 312 loans have been completed but seventeen (17) Rehabilitation Grants are still outstanding.²¹ As a result of certain home owners who have declined the use of public funds in rehabilitating their houses, while others did not have, or do not want to spend a reasonable portion of their income. Under the Demolition program, approximately twenty-five (25) dilapidated houses have been demolished, but there have been no displacement or relocation done under the Displacement and Relocation Grant Programs.

In sum, the data presented in this paper indicated that through the use of Community Development Grants, certain elements of the housing plan have been implemented and certain goals have been realized. The Housing Rehabilitation Grants, the Demolition

²⁰Community Development Department (Housing Division) Monthly Housing Report for May 1981 (East Point, Georgia: 1981).

²¹Ibid.

Grants and the Housing Rehabilitation Loans (312) have produced an extremely positive effect on the housing stock in East Point.

However, the Housing Rehabilitation Loans (312) have been eliminated by the Reagan Administration "Budget Cut Back." Also, from a program implementation perspective, the Relocation and Replacement Grants in East Point have been obsolete. A need, therefore exists for the Community Development Department to develop an adequate strategy to implement the Replacement and Relocation Grants program.

Neighborhood Revitalization

The four (4) basic neighborhood related issues identified and expressed in the city wide survey and reinforced through neighborhood meetings were:

- (1) The network of community service facilities lacked the capabilities to meet the community needs.
- (2) The existing thoroughfare system in East Point does not facilitate safe and efficient vehicle circulation within and through the city.
- (3) The existing sidewalks do not provide safe movement opportunities for pedestrian traffic in East Point.
- (4) Opportunities for recreational activities in East Point were limited.

As a result, a neighborhood revitalization strategy was developed and incorporated in the comprehensive plan prepared by

Public Research and Management, Incorporated, Atlanta (consultant). The goals and objectives adopted by the mayor and council as they relate to neighborhood issues are presented as follows:

- Goal 1
- (a) Maintain a water system which will meet residential, commercial and industrial demand.
 - (b) Expand city's water storage capacity.
 - (c) Increase finished water delivery capacity from treatment plant to storage facility.
 - (d) Take necessary legal steps to ensure adequate level of raw water supply.
 - (e) Provide a storm drainage system which will preclude damage to commercial, industrial and residential structures.
 - (f) Maintain the city's electrical delivery system at a high level.
 - (g) Develop a city funded sidewalk improvement plan.
- Goal 2
- (a) Complete a traffic flow and safety study for the City of East Point.
 - (b) Create a traffic circulation system, citywide, which will enhance the positive redevelopment of downtown East Point and at the same time provide safe, efficient traffic flow which will remain consistent with the goal of protected residential neighborhoods.
- Goal 3
- (a) Improve priority intersections.
 - (b) Provide for pedestrian safety on major routes from residential areas to neighborhood school facilities.
 - (c) Develop a city-funded sidewalk improvement plan.

- Goal 4 (a) Maximize the use of existing recreational facilities;
- (b) Prepare weekly news releases indicating recreational activities schedule.²²

In order to illustrate the component of the plan, the city was divided into four (4) planning areas: East, Central, Northwest and Southwest (see Map 2); a list of activities were drawn and sources of funds were identified (see Tables 4, 5, 6, 7, and 8).

Projects within Community Development priority areas (Colonial Hills, East Washington, Center Park), Jefferson Park and the Central Business District area have been funded with the Community Development Block Grant's funds. Also, Community Development Block Grant funds have been leveraged with city funds and other intergovernmental funds to implement projects in these areas.

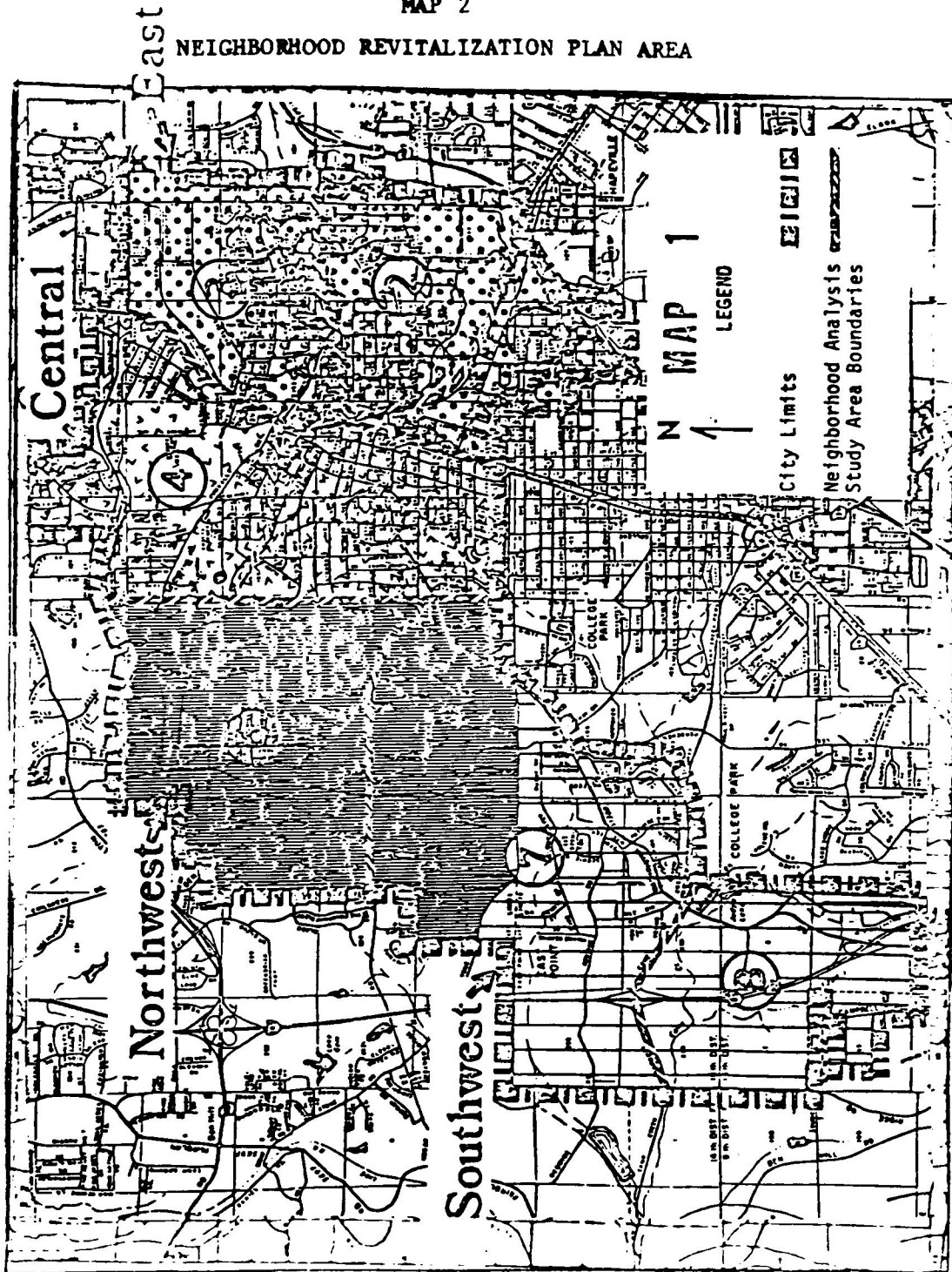
Materials have been purchased with Community Development funds, while other departments in the city government (Public Works Department, Electrical Department and Recreation Department) have provided equipment and labor.

This funding pattern is in conformity with the 1974 Act which states that:

²²Comprehensive Plan, Public Research and Management, Inc. (Atlanta, Georgia: October 1976).

MAP 2

NEIGHBORHOOD REVITALIZATION PLAN AREA



Source: Comprehensive Plan, East Point, Georgia, Public Research and Management, Inc., October 1976

TABLE 4

NEIGHBORHOOD REVITALIZATION PLANNED PROJECTS FOR THE CITY OF EAST POINT
EAST

<u>LIST OF PROJECTS</u>	<u>SOURCES</u>
1. Housing Rehabilitation	C.D. & HUD
2. Urban Renewal Electrical System Improvements	C.D.
3. Resurface Harris Street	C.D.
4. Resurface Willingham Drive	City
5. Resurface Martin Street	C.D.
6. Bayard Site Acquisition & Interim Park Development	C.D.
7. Urban Renewal Area Water System Improvements	C.D.
8. Renovate Fire Station #2	G.R.S.
9. Transfer Station Buffering	C.D.
10. Urban Renewal Area Street Improvements	C.D.
11. 500,000 Gallon Water Tank	
12. Alden Cleveland Avenue/Traffic Signalization Cleveland Avenue/Sylvan Road	City/G.R.S.
13. Sidewalk on Sylvan Road	G.R.S.
14. MARTA Line Frontage Road	
15. Relocated City Garage	
16. Improve Bachelor Street & Cambridge Avenue	C.D. & G.R.S.
17. Relocate & Improve Walker Avenue	City & G.R.S.
18. Whipple Street/Virginia Avenue Singal Improvement	City
19. Widen Virginia Avenue	G.R.S. & Ga. DOT
20. I-85 Frontage Road	G.R.S.
21. Improve & Widen Harrison Road	City & Ga. DOT
22. Norman Berry Drive & Whipple Street Extension & Under- pass	G.R.S./City
23. Widen and Add Sidewalks Willingham Drive	G.R.S./City
24. Martin Street Improvements	C.D. & HUD
25. Martin Street/Cleveland Avenue Signal Improvement	City
26. Realignment & Signal Improvement Cleveland Avenue/ Martin Street	City
27. Improve Signing at Norman Berry Drive/Martin Street	C.D.
28. Improve Cleveland Avenue/Norman Berry Signal & Add Turn Lane	G.R.S.
29. Realignment & Signalize Wadley Avenue/Main Street	City
30. Electrical System Improvements	City

- * C.D. - Community Development
 HUD - Housing and Urban Development
 G.R.S.- General Revenue Sharing
 Ga. DOT - Georgia Department of Transportation

Source: "Comprehensive Plan", City of East Point, Georgia
 Public Research and Management, Inc., October 1976.

TABLE 5

NEIGHBORHOOD REVITALIZATION PLANNED PROJECTS FOR THE CITY OF EAST POINT
CENTRAL

<u>LIST OF PROJECTS</u>	<u>SOURCES</u>
1. Housing Rehabilitation	C.D. & HUD
2. Colonial Hills Electrical System Improvement	C.D.
3. Colonial Hills Water System Improvements	C.D.
4. Improve Westwood Avenue	C.D.
5. Improve Jones Street	C.D.
6. Improve Semmes Street	C.D.
7. Semmes Street Water Improvements	C.D.
8. Colonial Hills Drainage Improvements	C.D.
9. Chambers Avenue Buffer	C.D.
10. Colonial Hills Street Improvements	C.D.
11. Improve Thompson Avenue	C.D.
12. Thompson Avenue Water Improvements	C.D.
13. Improve Pearl Street	C.D.
14. Pearl Street Water Improvements	C.D.
15. Improve Eighth Street	C.D.
16. Eighth Street Water Improvements	C.D.
17. Improve Linwood Avenue	C.D.
18. Linwood Avenue Water Improvements	C.D.
19. Delowe Drive Sidewalk	C.D.
20. Womack Park Improvements	C.D.
21. Washington/Taylor/Ben Hill/Cloverhurst Signal	HUD or C.D.
22. Willingham/Main Street Signal Improvement	HUD or C.D.
23. Center Park Football Fields	C.D. & BOR
24. Expand City Library	
25. Renovate City Auditorium	
26. Improve Norman Berry Exit/Forest Avenue Inter- section	C.D.
27. Improve Connally Drive/Main Street Signal	HUD or C.D.
28. Improve Fairfax/Main Street/Wadley Alignment & Signal	HUD or C.D.
29. Improve Knotts Avenue/Main Street Signal	MARTA
30. Improve Womack Avenue/Main Street Signal	MARTA
31. Water Works Improvements	
32. Widen Washington Road/Avenue	G.R.S.
33. Additional Electrical Bay Grove Avenue	
34. Downtown Redevelopment Study	Bus. Comm./C.D.
35. Implement Downtown Redevelopment	Bus. Comm./C.D.

- * C.D. - Community Development
 HUD - Housing and Urban Development
 BOR - Bureau of Outdoor Recreation
 G.R.S. - General Revenue Sharing
 Bus. Comm. - Business Community

Source: "Comprehensive Plan", City of East Point, Georgia
 Public Research and Management, Inc., October 1976.

TABLE 6

NEIGHBORHOOD REVITALIZATION PLANNED PROJECTS FOR THE CITY OF EAST POINT
NORTHWEST

<u>LIST OF PROJECTS</u>	<u>SOURCE</u>
1. Develop McKown Park Property	State/Federal Grant
2. Construct Main/Water Lines/Headland Drive	
3. Construct Sidewalks on Headland Drive	Federal Grant
4. New Water Tank (1,000,000 gallons)	
5. Construct Sidewalks on Dodson Drive	G.R.S.
6. Improve Signal Washington/Stone Road	Federal Grant
7. Improve Signal Stone Road/Dodson Drive Connector	Federal Grant
8. Widen and Construct Sidewalks on Stone Road	Federal Grant
9. Improve Drainage in Golden Drive Area	G.R.S.
10. Improve Alignment & Signalize Dodson Drive/Ben Hill Road	Federal Grant
11. Construct Water Distribution Lines Dodson Drive	
12. Construct Sidewalks on Ben Hill Road	Federal Grant
13. Improve Drainage System on Utoy Creek	Federal Grant
14. Widen Washington Road	G.R.S.
15. Housing Rehabilitation	C.D. & HUD

- * G.R.S. - General Revenue Sharing
 C.D. - Community Development
 HUD - Housing and Urban Development

Source: "Comprehensive Plan", City of East Point, Georgia
 Public Research and Management, Inc., October 1976.

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TABLE 7

NEIGHBORHOOD REVITALIZATION PLANNED PROJECTS FOR THE CITY OF EAST POINT
SOUTHWEST

<u>LIST OF PROJECTS</u>	<u>SOURCES</u>
1. Expand Electrical System West of I-285	
2. New Electrical Substation	
3. Expand Water System West of I-285	
4. Expand Sanitary Sewer West of I-285	
5. Realign Access Road/Washington Road	Federal Grant
6. Improve Drainage System/Sun Valley Subdivision	Federal Grant
7. Construct Sidewalks Washington Road/Janice Drive	Federal Grant
8. Realign Washington Road/Janice Drive Intersection	
9. Improve Signal & Channel Camp Creek Parkway & Washington Road	Federal Grant
10. Improve Signal & Provide Trun Lane Dodson Drive/ Washington Road	Federal Grant/G.R.S.
11. Widen Washington Road	City

* G.R.S. - General Revenue Sharing

Source: "Comprehensive Plan", City of East Point, Georgia
Public Research and Management, Inc., October 1976.

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TABLE 8

NEIGHBORHOOD REVITALIZATION PLANNED PROJECTS FOR THE CITY OF EAST POINT
CITY WIDE

<u>LIST OF PROJECTS</u>	<u>SOURCES</u>
1. Comprehensive Planning and Management Study	C.D.
2. Revise Zoning Ordinance	HUD & City
3. Revise Subdivision Regulations	C.D. & City
4. Traffic Safety Study	G.R.S.
5. Storm Drainage Study	C.D.
6. Electrical System Needs Study	
7. Water System Needs Study	
8. Water Storage Capability - (Campbellton Reservoir)	
9. Water Revenue Bond Contingency	
10. Maintain Police Service Levels	City
11. Maintain Fire Service Lands	City
12. Maintain Sanitary Service levels	City
13. Combined Police/Detention Facility	City

- * C.D. - Community Development
HUD - Housing & Urban Development
G.R.S. - General Revenue Sharing

Source: "Comprehensive Plan", City of East Point, Georgia
Public Research and Management, Inc., October 1976.

Community Development funds can be used to construct or improve public works facilities, neighborhood facilities, water and sewer facilities, parks and recreation facilities, flood and drainage facilities, street lights, parking, parking facilities, and solid waste disposal.²³

Over the past five years, the projects completed as a result of this effort and the amount expended by the Community Development Department are on pages 38, 39, and 40.

The data presented indicates that approximately seventy-five (75) percent of the planned projects within the Community Development Strategy Area has been completed, and some goals have been achieved. Considerable improvements of community facilities and recreational facilities have produced positive effects on neighborhood revitalization in East Point.

However, the thoroughfare system still does not facilitate safe and efficient vehicle circulation. Also, the sidewalk still does not provide safe movement opportunities to pedestrian traffic in East Point. Projects, such as traffic flow and safety study, storm drainage study and sidewalk improvements that would have helped set the stage or eliminate the above problem, have not been implemented. According to Joe Johnson, Director, Community Development Department, "these projects have been

²³Congress and the Nation, Congressional Quarterly, Inc. (Washington, D.C.: 1977), Vol. IV, 1973-74, p. 480.

TABLE 9

TABLE OF COMPLETED PROJECTS

STREET IMPROVEMENT

<u>Activity</u>	<u>Location</u>	<u>NSA AREA</u>	<u>AMOUNT</u>
Reconstruction	Bayard Street to end of Pavement	East Washington	
	East Washington Avenue to Cleveland Ave.	"	
	Veterans to Martin Street	"	
	Veterans to Martin Street	"	
	Lyle Street to Pine Avenue	"	
	Washington Avenue to Cleveland Ave.	"	
	Harris to Martin Street - - - - -		70,000
Reconstruction	Taylor Avenue to Westwood - - - - -	Center Park - - - - -	3,611
	Pearl Street to Semmes Street - - - - -	" - - - - -	2,350
	Clark to Semmes Street - - - - -	" - - - - -	7,840
	Taylor Avenue to Montrose Drive - - - - -	" - - - - -	7,481
Resurfacing of Residential Streets	Colonial Hills, Center Park, Jefferson Park - - - - -		19,680
Resurfacing	Main Street to Newnan Street	Colonial Hills	
	St. Michael Avenue to Hawthorn Way	"	
	Main Street thru Dauphine	"	
	Main Street West to End of Pavement	"	
	Newnan Street to Lawrence Street	"	
	Main Street to Newnan Street	"	
	St. Frances Avenue to Lakewood Freeway	"	
	Main Street thru St. Frances	"	
	Dauphine Street to Clermont Avenue - - - - -	" - - - - -	39,964

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Table 9 (Continued)

<u>STREET IMPORVEMENT</u>			
<u>Activity</u>	<u>Location</u>	<u>NAS AREA</u>	<u>AMOUNT</u>
Resurfacing	Washington Avenue to Popular Street	East Washington	
	Cleveland Avenue (south to City Limits	"	
	Sylvan Road to Harlan Drive	"	
	Milledge Street to Sylvan Road	"	
	Glendale Drive to Glendale Road	"	
	Jefferson Terrace to Fallview	"	
	Glendale Drive to Jefferson Avenue	"	
	Jefferson Avenue to Wadley	"	
	Jefferson Avenue to Wadley - - - - -	" - - - - -	66,000

RECREATION IMPROVEMENT

Energy Conservation Vegetation	Newnan Street at Main Street	Colonial Hills	
	Elizabeth Lane near Newnan Street	"	
	Randall Street Recreation Center - - - -	" - - - - -	13,286
Exterior Lighting	Randall Street	East Washington	5,000

WATER IMPROVEMENT

Installation of Water Lines	Pearl Street to Semmes Street - - -	Center Park - - - -	6,400
	Clark Street to Semmes Street - - -	" - - - -	14,375
	Taylor Avenue to Montrose Drive - - -	" - - - -	17,250

Table 9 (Continued)

WATER IMPROVEMENT

<u>Activity</u>	<u>Location</u>	<u>NSA Area</u>	<u>Amount</u>
Installation of Water Lines	Taylor Avenue to Westwood	- - - - -	Center Park - - - - 7,188
	All of Elizabeth Lane	"	
	Newnan Avenue	"	
	Clermont & Dauphine Street	- - - - -	Colonial Hills - - - 60,000
	West of Downtown	- - - - -	" - - - 12,935

ELECTRICAL IMPROVEMENTS

Electrical Work	Urban Renewal Area	- - - - -	East Washington - - - 95,670
	Urban Renewal Area	- - - - -	Colonial Hills - - - 231,200
Substation	Washington Area	- - - - -	Colonial Hills - - - 20,000
	Downtown		Colonial Hills

Source: Community Development Department, East Point, Georgia.

delayed by design. Due to anticipated adverse impact from the development of the following federally funded projects in East Point:

- (1) MARTA South Line Construction
- (2) Reconstruction of U.S. 29
- (3) Hartsfield-Atlanta International Airport

The Community Development Department postponed the implementation of projects that were likely to be impacted on by these federally funded projects.²⁴ The construction of the MARTA system and the relocation of U.S. 29 will create a significant amount of open space and bermed/cut areas that cannot potentially be used for a more desirable use. Also, in the old fourth area, located near the Hartsfield International Airport, the air pollution and noise pollution have made this area unsuitable as a residential area. As a result, this area has been zoned commercial and the Community Development Department has been working closely with MARTA, the private developers and other governmental agencies to respond to and coordinate these proposed activities. However, the municipal staff in East Point does not have the technical expertise nor experience to address the technical phase of these activities. A need, therefore, arises for the Community Development Department to address this problem and be able to implement

²⁴Joe Johnson, Interview held at the Community Development Department, East Point, Georgia, May 1981.

or reprogram the planned neighborhood revitalization projects in order to enhance a suitable living condition for the residents in East Point.

Economic Development

Until 1977, Economic Development did not become an objective of the Community Development Block Grant. The Housing and Community Development Act of 1977 added as an objective of the Block Grant program,

...alleviation of physical and economic distress through the stimulation of private investments and community revitalization in areas with population outmigration or a stagnating or declining tax base.²⁵

The 1977 Act further amended Section 105 of the Housing and Community Development Act of 1974, which lists activities eligible for assistance, to add to two (2) new areas of activities:

1) activities which are carried out by public or private non-profit entities and are appropriate to meeting needs and objectives of a grantee, Community Development Plan, including purchase of real property development of public facilities and development of commercial and industrial facilities; and 2) activities undertaken by neighborhood based non-profit organizations, local development corporations or small business investment

²⁵Section 101(a), Housing and Community Development Act of 1977, pp. 99-128, October 12, 1977.

companies to carry out a neighborhood revitalization or community economic development project.²⁶ However, in East Point, economic development issues were identified and articulated in the 1976 citywide survey and neighborhood meetings. Summary of the economic development issues are identified as follows:

- 1) the land development pattern which has evolved in East Point does not enhance economic development;
- 2) the City's Central Business District does not function as a viable commercial area.²⁷

Public Research and Management, Atlanta (consultant), included in the Comprehensive Plan for East Point an economic development package. The economic development goals and objectives approved/adopted by the Mayor and Council in East Point are as follows:

- 1) Provide for the development of land uses, both commercial and industrial which will increase the tax base;
- 2) Redevelop downtown East Point in a manner which will create a positive point of identity and tax base for East Point;
- 3) Development a redevelopment plan for downtown East Point by July 1978.²⁸

²⁶Section 101(a), Housing and Community Development Act of 1977, pp. 99-128, October 12, 1977.

²⁷Comprehensive Plan, Public Research and Management, Inc. (Atlanta, Georgia, October 1976),

²⁸Ibid.

In order to adequately and effectively implement the plan, Real Estate Research Corporation, Atlanta (consultant), was hired to conduct an economic development base study on East Point. This study identified conditions and trends that will create opportunities for economic development and others that will be constraints. Summary of the opportunity creating issues are as follows:

1) General location within the metropolitan area.

Although East Point is considered a suburb, it is only a few minutes from the Atlanta downtown business district. It is an easy commuting distance from residential areas of the city to this regional employment center.

2) Transportation facilities. East Point is very well served with a variety of transportation facilities. Several expressways are easily accessible; Interstate 75, Interstate 85, Interstate 285, and the Lakewood Freeway (State 166). All of these make the city attractive to business which must transport by truck. In addition, the city has excellent rail service, which is required by some types of industry. Finally, Hartsfield International Airport is adjacent to the city creating unique opportunities to attract business which relies on air travel.

3) Attitudes. East of the business persons interviewed was realistic enough to admit that the city is now facing problems, but nearly all were very positive about the future of the

city. This support of the private sector is necessary to achieve success in any public/private economic development activities.

4) Future Development. With the projected increase in the passenger volume of the Hartsfield Airport, there is an opportunity for airport related development. The future completion of the two (2) MARTA stations--Lakewood and East Point--will create renewal and growth opportunities, especially for the downtown. Annexation of land west of the city, now under consideration, will create a chance for new industrial development.²⁹

Constraints were also identified, and Real Estate Research Corporation, Atlanta, contended that some of these constraints could be overcome by using appropriate tools and programs. The summary of constraints identified are as follows:

1) Age of East Point. Very little of the city has been developed in recent years. For that reason, buildings and infrastructure are beginning to show signs of aging. Some of the industrial buildings are becoming obsolete vis-avis new techniques in manufacturing and shipping. Some shopping areas are not adequately oriented toward auto-related shoppers. With the current city boundaries, much of the land is developed, leaving little flexibility for large scale new development.

²⁹Development Strategy, Real Estate Research Corporation (Atlanta, Georgia, March 1978).

2) Market factors. During the early 1970's, the Atlanta real estate business was overly optimistic. In several housing markets significant overbuilding occurred: office, industrial, and residential. Office vacancies in the Tri-Cities area is about 25 percent while industrial vacancies in the Southwest Zone has been about 15 percent. Recently developed malls have saturated the area with retail space, leaving little opportunity for new development. Additionally, the rapid development of north Atlanta has created heavy competition for East Point and neighboring cities.

3) Street structure. Existing street layout and capacities may limit some development opportunities in the city. Existing business people report that streets are too narrow to allow easy negotiations with trucks. Additionally, the continuity of downtown has been disrupted by the awkward one-way street design.

4) Image. The image of East Point is that of an aging city with older industry. It has somewhat less appeal to some businesses and residents when compared to newer areas in metropolitan Atlanta,³⁰

Based on these findings, Real Estate Research Corporation, Atlanta (consultant) developed a list of legitimate economic

³⁰Ibid.

development goals for the City of East Point. Below is a summary of the goals:

- 1) Expansion of the industrial sector of the city's economy to provide increased employment and an expanded tax base.
- 2) Revitalization and redevelopment of the "Old Downtown Area."
- 3) Annexation of properties to the west of the city boundary to create opportunities for new development to occur.
- 4) Promotion of new downtown development which will enhance the existing area and tie in with the future MARTA stations.
- 5) Rehabilitate existing commercial and residential properties located in the "Old Fourth Ward."
- 6) Encourage office development that can capitalize on future market potentials created by the airport expansion and the extension of MARTA line.
- 7) Develop potential or area along South Camp Creek Parkway.
- 8) Provide skills training program opportunities for the unemployed or underemployed oriented toward new and expanding sectors of the employment market.³¹

To implement the overall strategy, the consultant firm (RERC) recommended a joint effort of East Point Business and Industrial Development Authority (EPBIDA) and the City, in conjunction with the private sector to enact the Economic

³¹Ibid.

Development Project. East Point Business and Industrial Development Authority (EPBIDA) was established by the city in 1977 and charged with the responsibilities of addressing economic development issues and to act as liaison between the city and private developers. Adhering to the recommendations of RERC (consultant), East Point Business and Industrial Development Authority (EPBIDA) was given the responsibility of implementing the (consultant) recommended economic development strategy. However, this department (EPBIDA) works closely with the Community Development Department in carrying out its activities, and the community Development Director serves on the board of EPBIDA.

Three (3) areas in the city were selected as the priority areas for economic development (Empire Industrial District, the Old Fourth Ward, and the Central Business District).

The Empire Industrial District is located south of the Lakewood Freeway. It comprises two hundred and two (202) acres that are zoned for light and heavy industrial use. Presently, one hundred and eighty-three (183) acres have been developed with twenty (20) acres undeveloped. This area is within Atlanta Commercial Truck Zone, Hartsfield-Atlanta International Airport, Georgia Highway 166, I-75, and I-85 and six (6) miles from I-285. The location of the site makes this area an economically

potent area.

The Old Fourth Ward is located on ninety-seven (97) acres north of Virginia Avenue. It is anticipated that when the area is redeveloped, it will provide a two hundred thousand (200,000) square foot civic and convention center surrounded by two thousand (2,000) new hotel rooms, 1.6 million square feet of new office space, a post production facility for film makers use, and the northern boundary of the project three hundred thousand (300,000) square feet of light industrial development.

This planned land use will need approximately fifty million (\$50,000,000) dollars for the removal of area residents and provide necessary basic public facilities. Anyhow, residents of this area are elderly and low and moderate income persons. The noise and air pollution from the world's busiest airport, Hartsfield-Atlanta International, has made this area unsuitable as residential area. However, the closeness of this area to the airport has given this area a great potential of an airport related commercial area.

The Central Business District - downtown - is in a general state of disarray. Vacant stores and blighted areas have brought about a decline in retail traffic.

The revitalization of downtown will require the improvement of the streets and circulation system throughout the central

part of the city in order to move traffic freely through downtown area. Off street parking and pedestrian walkways will enable shoppers to move freely and safely in the downtown area. The proposed MARTA station (Downtown Station) will also provide a positive effect in the downtown area. The major park and ride facilities, coupled with the new residential and commercial development will offer the downtown area a viable market and development.

To date, the City of East Point is only aware of what is to be done regarding economic development in the city, no major economic development projects have been carried out. The resources needed to implement the plans are not available. The Old Fourth Ward needs about fifty million (\$50,000,000) dollars for relocation and other public facilities. As indicated earlier, the Community Development Department does not have the money nor the experience to relocate residents in this area.

The uncertainty of the proposed MARTA activities and other public improvements in East Point have also inhibited the implementation of various public facilities in this area. Apparently, the City of East Point is just sitting in limbo and quietly awaiting for private developers to create the economic development balance in the city.

A need therefore arises for the Executive Director of

EPBIDA and the Community Development Director to be alert and be very aggressive in identifying potential developers and working with both public and private entities in securing adequate resources and manpower to address this adverse situation.

IV. SUMMARY AND RECOMMENDATION

The Community Development Block Grant Act is a reflection of the state of public policy. According to Robert W. Maffin, Executive Director of the National Association of Housing and Redevelopment Officials (NAHRO):

CDBG brings together a mixed bag of needed public programs and applies a single short answer. It was born out of distrust, out of rhetoric of failure and a disdain for some solid achievements. It was constructed from a lot of pre-conceived ideas, untested in a laboratory of experience.³²

The act represents nothing but hope that it will enhance greater citizen participation and brings the City Fathers closer to the citizens than to Washington.

Administration of the Community Development Program under the Housing and Community Development Act has doubtlessly increased the responsibility of municipal officials, particularly with respect to program planning, management and evaluation.

The City of East Point was not adequately prepared to take advantage of Community Development Block Grant resources when the first program year began. Neither an effective planning

³²Beth Dunlop, "The Housing and Community Development Act: A First Second Review," AIA Journal (February 1976): 70.

and management instrument existed nor a coherent community development policy. The hiring of a consultant (Public Research and Management, Incorporated, Atlanta) to prepare the first DCBG application and develop a comprehensive plan for the city, paved the way for the existence of community development in East Point. The Department of Community Development that was eventually established to execute the community development program was charged with the responsibility of program planning - management - evaluation. This department (Community Development) has actually utilized available funds to plan and implement a number of community development projects. Significant changes and improvements have occurred in the city as a result, but, a number of problems still exist in some aspects of program administration.

Under the Housing Program, the replacement and relocation program in East Point is still in a standstill state. The lack of expertise and resources have rendered these badly needed programs obsolete. Also, the (312) Housing Rehabilitation Loan program, which has produced a positive effect on the housing stock in East Point, has been cut by the "Reagan tax cut axe."

In a period of record interest rates, double digit inflation and the drastic cut of federal aid to cities, a relatively new financing tool known as "leveraging" can provide

some answers to cities housing problems. "Leveraging" is the combination of public and private dollars to provide a pool of funds for housing rehabilitation loans. Limited public funds are used to leverage private dollars, thereby, producing greater efficiency and impact in the use of the public money.³³

Leveraging lowers the cost of housing to home buyers of low and moderate income, thus qualifying mortgage financing families not otherwise eligible. Private lenders benefit by the ability to secure loans that would otherwise be denied because of rapidly growing interest rates and housing costs. The additional effects of these activities are the stimulation of economic conditions and taxes in the city.

The use of CDBG funds have appealed to many communities because it also provides families in neighborhood targeted areas for revitalization with below market loans to improve their residences.³⁴ This approach (leveraging) should be attractive to East Point, because the city now requires a new method of attracting and encouraging families to rehabilitate their individual residences with the very limited funds available to the city.

At the same time, East Point requires a method of

³³Eugene Eismain, "Leveraging Using Community Block Grant Funds More Effectively," Sellers/Service (March-April 1980):13

³⁴Ibid.

dealing with housing replacement and relocation problems involved in the Old Fourth Ward area (neighborhood adjacent to Atlanta Airport, which has been zoned commercial as a result of pollution and the potential of being an airport commercial area). Since the Community Development Department does not have a large staff experienced in housing rehabilitation, and because such staff capacity will not be cost efficient use of grant funds, given the size and amount available to the City, leveraging the limited East Point (CDBG) dollars with private lending institutions will definitely enhance a better and more efficient administration of housing rehabilitation programs in the City. Also, apart from pooling resources, manpower can also be pooled together by the City and local lenders to enhance a better administration of their housing program.

Under the neighborhood revitalization program, the Community Development Department in East Point has postponed and/or discarded a number of planned projects. The Department lacked the expertise in dealing with the planning and technical phases of MARTA South Line Connector and other public improvements in the City. In order to adequately address these problems, the Department needs to conduct an "evaluation" of the 1976 Comprehensive Neighborhood Revitalization Plan. This will enable the Department to determine what projects are not

meeting the objectives and what projects to be reprogrammed.

According to a survey conducted by the National League of Cities and the U.S. Conference of Mayors, International City Management Association, Joint Center for Political Studies-Howard University, sixty-two (62) percent of cities evaluated programs and projects to aid in the development of new ones.³⁵ Evaluation in this regard involves the process of determining how well jobs have been done: whether program objectives have, in fact been met, or whether the important community conditions have been affected by the program. "This process involves the determination of why objectives were not met and provides information for use in refining of goals and policies.

Apart from being a postmortem, the evaluation process can provide information of value in the design of new programs to deal with similar problems.³⁶

The link between program activities and changes in the community, together with the comprehensive and continuous attention required if firm connections between actions and outcomes

³⁵The National League of Cities and U.S. Conference of Mayors, International City Management Association, Joint Center for Political Studies - Howard University - "Municipal Planning and Management," Vol. I (Washington, D.C., October 1974).

³⁶Ibid.

are to be determined will make this plan adequate to solve some of the East Point neighborhood revitalization problems.

In dealing with the technical aspects of public improvements in the City, the Community Department should negotiate with MARTA and other public entities to share in the cost of hiring an East Point technical coordination officer. This employee should have the technical ability and the political sophistication needed to address the adverse impact of public improvements in the City. Also to assist the Community Development Director in forecasting future neighborhood demands in East Point.

Under the Economic Development program, East Point has been able to determine what courses of action to take, but there is a long road ahead in operating the plan. Lack of resources have been cited as a vital problem and some neighborhood revitalization problems identified above, also pose problems. However, the establishment of East Point Business and Industrial Development Authority (EPBIDA) to work with the Community Development in administering the economic development program was a wise move. According to a Research and Policy Analysis Report conducted by National Council for Urban Economic Development, the key to urban economic development is the City's ability to coordinate public resources - federal - state and local -

in a cohesive strategy designed to leverage long term private investment. This process necessitates building an institutional capacity, characterized by public/private partnership to make policy decisions regarding allocation of public funds and to implement development programs.³⁷

The East Point Business and Industrial Development Authority (EPBIDA) and the Community Development Department in East Point now need to effectively communicate and cooperate with private sector economic interest to enhance a viable economic development in the City.

The suggested method to be used will be for the Executive Director (EPBIDA) and the Director of Community Development to aggressively solicit private developers interest by:

1. Providing necessary information about the city, highlighting the economic and investment potentials of the city.
2. Guaranteeing adequate public facilities and safety.
3. Providing front-end capital investment.

This approach, if properly structured, will attract big profit seeking businesses that will help to revitalize the economic conditions in East Point.

³⁷National Council for Urban Economic Development "Coordinated Urban Economic Development: A Case Study Analysis," Executive Summary (March 1978);1

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